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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/502,825	02/11/2000	Kiyoshi Miyazaki	1095.1120/JDH	5726
21171	7590	07/14/2005	EXAMINER	
STAAS & HALSEY LLP SUITE 700 1201 NEW YORK AVENUE, N.W. WASHINGTON, DC 20005			DASS, HARISH T	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 07/14/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/502,825

Applicant(s)

MIYAZAKI ET AL.

Examiner

Harish T. Dass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 April 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-18 and 21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-18 and 21 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Claims 19-20 are cancelled.

Claim Rejections - 35 USC § 112

1. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1-18 and 21 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. For example, see claim 1 "same type of good", "mutually", "electronic market", "first type of fungible goods", "second type of fungible goods", "first execution", "second execution", etc. cannot be found in originally filed specification and originally filed claims. Applicant is required to show the support for these limitations in original specification and original claims (where they can be found) or amend the claims and remove the added limitations.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are

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such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-3, 5, 7-10, 11-12, 14, 16-18, and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Himmelstein (PGPUB US 2002/0032643) in view of Lupien et al (hereinafter Lupien – US 6,012,046) and PR Newswire, "5th Market to Establish New ECN for Derivatives Trading in Early 2000; 5th Market Announces Completion of Equity Financing", New York: Aug 27, 1999 (hereinafter PR-Newswire).

Re. Claim 1, Himmelstein discloses computer based website for bartering, exchanging or selling, orders to buy and sell (exchanging securities with special conditions) and multi-order [see entire document particularly, Abstract; Para. 0001-0006],

an order input unit permitting input of sell orders to sell a first type of fungible goods in the electronic market, and permitting the input of automatic **multi-order barter** in the electronic market [Figures 3, 5A-5E, 6- 0002, 0044-0047, 0050 – see for entering orders,], an automatic **multi-order barter** being inputted as an order by a first party to, a sell order for sale of the first type of fungible goods purchase via the electronic market a second type of fungible goods offered on the electronic market, the second type of fungible goods being a type of goods that is different from the first type of fungible goods where a first party inputs a **multi-order barter** and a second party inputs a sell order for the first type of goods [0002-0006; 0050];

an order detecting unit automatically detecting a first execution which is an execution of the inputted sell order for sale of the first type of fungible goods with respect to which the **multi-order barter** has been placed by the first party. where the sell order is executed by being matched with a corresponding buy order for the first type of fungible goods. and where the detected first execution is not an execution of the **multi-order barter** [0002; 0044-0045; 0050-0052; 0148; -- in order for system to detect the order it has to be entered and detects the order by receiving it and traded (executed) after it receives the order]; and a **multi-order barter** processing unit, responsive to the detection of the first execution of the sell order for the first type of fungible goods by said order detecting unit, automatically performing a second execution which is an execution of the **multi-order barter** for the second type of fungible goods, where the **multi-order barter** is executed by being matched with a corresponding sell order for sale of the second type of fungible goods [0002; 0044-0045; 0050-0052; 0148; -- similarly for second execution, in order for system to detect the order it has to be entered and detects the order by receiving it and traded (executed) after it receives the order]. For example see Figure 3 and Para. 0044-0052, there are two orders from first party, the orders have to be received for multi-order exchange, and the executions takes place after the orders are entered which will be detected by the system when it receives the orders, the first party has (sell order) MSFT to be sold and (purchase order) RHAT to be purchased, see flow chart of Figure 3 and its detail description in para. 0044-0045 where it does sell (barter) the MSFT first and

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then purchases (barter) the RHAT after the MSFT is traded. Similarly, the system can do, buy RHAT first and sell MSFT second in para. 0046.

Himmelstein, explicitly, does not disclose **chain order** (**chain purchase orders**) and on condition of execution (or conditional execution of order). However, PR-Newswire discloses an automated securities trading system and orders contingent on the purchase or sale of other securities (or **chain order**) to provide system capable of handling securities trade on Internet. Lupien discloses conditional execution of orders [Abstract; Figures 1-2, 4-5; C1 L5 to C2 L55; C3 L26-L39; C19 L22-L24 – see I want to sell a lot of IBM before I buy a large amount of DEC] to handle trades of baskets of securities (buying/selling orders) where buying/selling a given security is as a function of execution status of other security. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Himmelstein and add contingent orders (or **chain order**) and conditional execution, as disclosed by Lupien and PR-Newswire, to provide an automatic trading system which is capable of handling logical conditional orders (for example: if that happens then do the other).

Re. Claims 9-10, 18 and 21, Himmelstein discloses orders to buy and sell (exchanging securities with special conditions) and multi input means permitting input of orders to sell (to purchase) a first type (currency, commodities) of fungible goods to a second party (traders, brokers, clients, any and all clients) in the electronic market, and permitting the input of an order, the order being an order requesting, on condition of execution of an

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order for sale (purchase) of the first type of fungible goods, purchase (sell) a second type of fungible goods from third party (traders, brokers, clients, any and all clients), the second type of fungible goods being different from and not fungible with respect to the first type of fungible goods [see entire document particularly, Abs; Fig. 3, 5A-7E; page 1 paragraph 0001 to page 2 para. 0011; 0025-0028; page 5 para 0047], and order detecting (find) means for automatically detecting execution of an order for purchase/sale of the first type of fungible goods with respect to which the order has been placed [page 3 para 0027-0032; page 13 para 0148], and order processing means for, responsive to the detection (finds) of execution of a buy/sell order for the first (second) type of fungible goods by said order detecting means, automatically executing the order for the second (first) type (currency, commodities) of fungible goods [page 3 para. 0038 to page 4. para. 0039; page 5 para 0052 to page 6 para. 0053; para. 0101; para. 0025-0028], and conditioning execution of the second open order by interactively (negotiate) establishing a relation in the electronic market between the first open order and the second open order, by disallowing execution of the second open order until after execution of the first order [page 1 para 0003-0004].

Himmelstein, explicitly, does not disclose **chain order** (**chain purchase orders**) and on condition of execution (or conditional execution of order). However, PR-Newswire discloses an automated securities trading system and orders contingent on the purchase or sale of other securities (or **chain order**) to provide system capable of handling securities trade on Internet. Lupien discloses conditional execution of orders [Abstract; Figures 1-2, 4-5; C1 L5 to C2 L55; C3 L26-L39; C19 L22-L24 – see I want to

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sell a lot of IBM before I buy a large amount of DEC] to handle trades of baskets of securities (buying/selling orders) where buying/selling a given security is as a function of execution status of other security. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Himmelstein and add contingent orders (or chain order) and conditional execution, as disclosed by Lupien and PR-Newswire, to provide an automatic trading system which is capable of handling logical conditional orders (for example: if that happens than do the other).

Re. Claims 2, & 11 Himmelstein discloses order storing means for storing the order input from said order input means [Fig. 8; page 4 para. 0041; page 14 para. 0157], and deleting means for deleting, from said order storing means, the order with respect to which the automatic execution has been completed by said order processing means [Fig. 8; page 4 para. 039-0041; page 14 para. 0157-0159].

Re. Claims 3, & 12 Himmelstein discloses further comprising display means for selectively displaying those of the orders which include a sell / buy order for the second type of fungible goods and which satisfy a condition for sale / purchase of the second type of fungible goods [Fig. 2, 5A, 6; Abs; page 4 para. 0039; page 7 para. 0070].

Re. Claims 5, & 14 Himmelstein discloses further comprising price changing means for, responsive to a change in price of the first type of goods, automatically changing a price

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of the corresponding second type of goods of the order in an interlocked (linked) manner [Abs; page 5 para. 0047].

Re. Claims 7-8, & 16-17 Himmelstein discloses tax deferred exchange and calculating fee [page 3 para. 0033-0034; page 7 para 0070; page 11 para. 0119-0127].

Himmelstein, explicitly, does not disclose further comprising tax amount calculating means for calculating an amount of tax to be paid as-a result of the execution of the order; and notifying means for notifying parties concerned in the execution of the order of the amount of tax calculated by said tax amount calculating means and further comprising transfer means for automatically transferring a price and a tax payable as a result of the execution from one to another of accounts of parties concerned in the execution. However, it is well known to one skill in the art that taxes are calculated on taxable items (sale and trades) per IRS rules or local sale tax rules and paid regularly by consumers, therefore Himmelstein system for tax is optional which means if a customer (trader) wants to pay the tax, the system can calculate tax.

Claims 4, 6 & 13, 15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Himmelstein, Lupien and PR-Newswire, as applied to claims 1, 3, 10 & 12 above, in view of Nymeyer (US 3,581,072).

Re. Claims 4 & 13 none of Himmelstein, Lupien and PR-Newswire, explicitly, teaches wherein said display means inhibits display of information about a buy / sell order for the

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second type of fungible goods (goods) included in the **chain** order when the **chain** order is placed, and displays the information after the **chain** order is executed.

However, Nymeyer discloses this step [see entire document particularly, Abs; C1 L1 to C2 L38; C11 L50 to C12 L46; C30 L19-L55]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teaching of Himmelstein, Lupien & PR-Newswire and include inhibiting displaying of information, as taught by Nymeyer, to control transfer of orders whenever there are no specific price order. Further the computer spread sheets are well known to one skill in the art where a user can selectively inhibits and/or protect any item (cell, row, column) from change or to hide the data from unauthorized user.

Re. Claims 6 & 15 none of Himmelstein, Lupien and PR-Newswire, explicitly, teaches wherein said **chain** order processing means performs **chain** order processing in series if an order placed with respect to the second type of fungible goods to be transacted is a **chain** order. However, Nymeyer discloses this step [Abs; C1 L1 to C2 L38; C19 L58 to C20 L23]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teaching of Himmelstein, Lupien & PR-Newswire and include explicitly **chain** order (swap) orders in series, as taught by Nymeyer, to proceed serially through entire list of orders starting from # 1.

Response to Arguments

1. Applicant's arguments with respect to pending claims have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

2. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

Contingent ORDER is defined in "Dictionary of Finance and Investment Terms, Fifth Edition (Barron's Financial Guides)" - Contingent Order, securities order whose execution depends on the execution of another order.


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Souh can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Harish T Dass
Examiner
Art Unit 3628

7/7/05


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